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Testimony of the Department of Commerce and Consumer Affairs

**Before the
House Committee on Housing
Wednesday, February 18, 2026
10:00 a.m.**

Via Videoconference

**On the following measure:
H.B. 2559, RELATING TO REAL ESTATE**

Chair Evslin and Members of the Committee:

My name is Mana Moriarty, and I am the Executive Director for the Department of Commerce and Consumer Affairs' (Department) Office of Consumer Protection (OCP). The Department offers comments.

The purpose of this bill is to add a new section to Hawaii Revised Statutes (HRS) Chapter 467 that prohibits Hawaii-licensed real estate brokers from marketing the sale or lease of residential real estate to a limited or exclusive group of prospective buyers or brokers, or any combination thereof, unless the real estate is concurrently marketed to the general public and all other brokers, except as reasonably necessary to protect the health or safety of the owner or occupant.

HRS section 480-2(a) declares unlawful "unfair methods of competition and unfair or deceptive acts or practices in trade or commerce." Remedies and standing to enforce violations of section 480-2 are well established. This bill deems a violation of the new prohibition a violation of HRS section 481, without referencing a particular section of

Testimony of DCCA

H.B. 2559

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chapter 481. Depending on the section of HRS chapter 481 being referenced, remedies may differ from those intended to be available.

Should the Committee wish to pass this bill, we respectfully recommend the Committee replace the language at Page 1, Lines 11-12 with the following language:

"(b) A violation of this section shall be an unfair or deceptive act or practice in the conduct of trade or commerce pursuant to section 480-2."

Thank you for the opportunity to testify on this bill.

February 18, 2026

The Honorable Luke A. Evslin, Chair

House Committee on Housing
State Capitol, Conference Room 430 & Videoconference

RE: House Bill 2559, Relating to Real Estate

HEARING: Wednesday, February 18, 2026, at 10:00 a.m.

Aloha Chair Evslin, Vice Chair Miyake, and Members of the Committee:

My name is Lyndsey Garcia, Director of Advocacy, testifying on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawaii and its over 10,000 members. HAR **supports the intent** of House Bill 2559, which prohibits real estate brokers from marketing the sale of residential real estate to a limited or exclusive group of prospective buyers or brokers, with limited exception. Considers the practice a violation of the Fair Practices Act and grounds for discipline

In most cases, sellers want their homes marketed to the widest possible audience through the Multiple Listing Service ("MLS"). However, some sellers, such as public figures or those seeking privacy for various reasons including health and safety may prefer to keep their listing limited.

Current MLS policy tries to address this balance. Under the National Association of REALTORS® Clear Cooperation Policy¹, listings must generally be submitted to the MLS within one business day of marketing. If a seller chooses privacy, an "office exclusive" listing may be filed with the MLS but not publicly distributed.

In 2025, an additional policy² was adopted to expand consumer choice by giving sellers and their agents more options and choice when marketing a property, while also supporting fair housing by providing buyers and their agents with equal access to important MLS property information. This policy allows for delayed public marketing, provided the listing remains visible to other MLS participants. Importantly, sellers must give informed, written consent acknowledging they are waiving immediate public marketing.

Hawai'i REALTORS® supports policies that promote transparency, consumer choice, and fair housing. We appreciate the opportunity to be part of the ongoing conversation on this issue. Mahalo for the opportunity to testify on this measure.

¹ National Association of REALTORS®. (n.d.) MLS Clear Cooperation Policy. <https://www.nar.realtor/about-nar/policies/mls-clear-cooperation-policy>

² National Association of REALTORS®. (n.d.) Multiple Listing Options for Sellers. <https://www.nar.realtor/about-nar/policies/multiple-listing-options-for-sellers>

Testimony of the Hawai'i Real Estate Commission

**Before the
House Committee on Housing
Wednesday, February 18, 2026
10:00 a.m.**

Conference Room 430 and Via Videoconference

**On the following measure:
H.B. 2559, RELATING TO REAL ESTATE**

Chair Evslin and Members of the Committee:

My name is Derrick Yamane, and I am the Chairperson of the Hawai'i Real Estate Commission ("Commission"). The Commission supports this bill.

The purpose of this bill prohibits real estate brokers from listing or offering the sale or lease of residential real estate to a limited or exclusive group of prospective buyers, real estate brokers, or real estate salespersons, with limited exceptions.

As this measure furthers the Commission's statutory obligation to protect the general public in its real estate transactions through mandating licensees to market a property to the general public at large and not a select few, the Commission supports this bill.

Thank you for the opportunity to testify.

HB-2559

Submitted on: 2/12/2026 10:10:06 PM

Testimony for HSG on 2/18/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Johnnie-Mae L. Perry	Individual	Support	Written Testimony Only

Comments:

I, Johnnie-Mae L. Perry, Support

2559 HB RELATING TO REAL ESTATE.

HB-2559

Submitted on: 2/13/2026 2:46:58 PM

Testimony for HSG on 2/18/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Terri Yoshinaga	Individual	Support	Written Testimony Only

Comments:

- **Promotes Fair Market Competition:** This bill ensures a level playing field by preventing brokers from creating exclusive, "off-market" arrangements that limit a property's exposure to a select group of buyers or agents, thereby fostering open and fair competition for all residential properties.
- **Increases Transparency for Sellers and Buyers:** By mandating that properties be marketed to the general public, the bill prevents sellers from being locked into limited marketing strategies that may not yield the best price, while ensuring all potential buyers have an equal opportunity to view and make offers on available homes.
- **Protects Consumers from Unfair Practices:** The bill explicitly defines exclusive marketing as a violation of the Unfair Practices Act, providing homeowners and buyers with stronger legal recourse and protecting them from potentially deceptive or restrictive real estate tactics.
- **Maximizes Housing Opportunities for the Public:** This legislation ensures that the widest possible audience of homebuyers and their agents are aware of available properties, which is crucial in a tight housing market and helps prevent discriminatory or preferential selling practices.
- **Strengthens Professional Accountability:** By making exclusive marketing a specific, punishable offense under §467-14, the bill enhances the ethical standards for real estate licensees and gives the commission clear grounds for disciplinary action, ensuring brokers act in the best interest of the public.

HB-2559

Submitted on: 2/13/2026 3:31:21 PM

Testimony for HSG on 2/18/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
kim santos	Individual	Support	Written Testimony Only

Comments:

Dear representatives I urge you to support house bill 2559. This bill will help the people of Hawaii who are in desperate need of housing solutions. Our Ohanas desire to stay in Hawaii and raise their families here . Please support this bill. Thank you.

HB-2559

Submitted on: 2/14/2026 5:11:26 PM

Testimony for HSG on 2/18/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Lanette Bourg	Individual	Support	Written Testimony Only

Comments:

Support HB2559

HB-2559

Submitted on: 2/15/2026 6:38:52 AM

Testimony for HSG on 2/18/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Alice Abellanida	Individual	Support	Written Testimony Only

Comments:

I support this bill.

HB-2559

Submitted on: 2/17/2026 9:43:15 AM

Testimony for HSG on 2/18/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Dylan Nonaka	Individual	Support	Written Testimony Only

Comments:

My name is Dylan Nonaka, and I am a homeowner and realtor in Kona. I am writing today to express my strong support for **HB2559**, which seeks to prohibit the use of private listing networks and "pocket listings" in Hawaii.

By requiring residential real estate to be marketed to the general public concurrently with any exclusive groups, this bill protects the fundamental interests of Hawaii's homeowners and homebuyers.

Why HB2559 is Essential for Hawaii Consumers:

- **Maximizing Value for Homeowners:** When a home is hidden within a "private network," it is shielded from the competitive open market. Data consistently shows that properties marketed publicly on the Multiple Listing Service (MLS) receive more offers and higher sale prices. Banning private networks ensures that Hawaii families don't "leave money on the table" due to a lack of exposure.
- **Protecting Buyers from Information Asymmetry:** In our current high-demand market, local buyers—especially first-time homebuyers—already face immense hurdles. Private networks create a "two-tier" system where only those with "insider" connections can see available inventory. This bill levels the playing field, ensuring all residents have an equal opportunity to find and bid on a home.
- **Preventing "Double-Ending" Conflicts of Interest:** Private listings often benefit the broker more than the client by allowing the same agent or firm to represent both the buyer and seller ("dual agency"). This can lead to a conflict of interest where the broker's desire for a double commission outweighs their fiduciary duty to get the seller the best possible price.
- **Upholding Fair Housing Standards:** Transparency is the greatest enemy of discrimination. Private networks can inadvertently lead to "steering," where homes are only shown to specific demographics. HB2559 promotes equity by ensuring that housing opportunities are visible to everyone, regardless of their professional or social circles.

Conclusion

Hawaii's housing market is one of the most challenging in the nation. We should be moving toward more transparency, not less. HB2559 is a common-sense consumer protection measure that ensures a fair, open, and competitive marketplace for all Hawaii residents.

I respectfully urge the Committee to **PASS** HB2559.

HB-2559

Submitted on: 2/17/2026 2:46:49 PM

Testimony for HSG on 2/18/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Peggy Regentine	Individual	Support	Written Testimony Only

Comments:

I support HB 2559